COURT NO.5

HIGH COURT OF UTTARANCHAL AT NAINITAL

WRIT PETITION NO.780 OF 2006 (M/S)

CIVIL SIDE

Babu Ram S/o Sri Faggu
Village Khanpur Laksar, Tehsil Laksar,
District Haridwar ..... PETITIONER

Versus

1. State of Uttaranchal
2. Tehsildar Laksar, District Haridwar
3. The Punjab National Bank, Khanpur,
   District Haridwar ..... RESPONDENTS

Sri Tapan Singh, Advocate for the petitioner.
Sri Sharad Sharma, Advocate for the respondent no.3 & Standing counsel for Respondents no. 1 and 2.

Dated: 23.6.2006

Hon'ble Rajesh Tandon, J.

Heard the learned counsel for the parties at length.

This writ petition has been filed by the petitioner challenging recovery notice dated 31.5.2006.

According to the petitioner he is a small farmer and has taken loan of Rs.3,75,000/- on 28.1.2005 for agricultural purpose. The loan was to be repaid in 26 monthly instalments with interest @ 12.5% per annum. The petitioner has submitted that he could not repay the loan as the tractor met to accident. He requested the Bank to fix easy instalments for repayment of loan amount but he turned down the request and issued recovery

citation against the petitioner for recovery as arrears of land revenue.

The petitioner has also alleged that no account has been furnished by the Bank so as to enable him to come to the conclusion that the citation made is correct. Further according to him calculation of interest is wholly incorrect and no compound interest can be charged.

In the case *Central Bank of India vs. Ravindra and others, AIR 2001 SC 3095* the Apex Court has observed:

"Statement of accounts supplied by banks to borrowers many a times do not contain particulars or details of debit entries and when written in hand are worse than medical prescriptions putting to test the eyes and wits of the borrowers. Instances of unscrupulous, unfair and unhealthy dealings can be multiplies though they cannot be generalised."

Therefore, I am of the opinion that the Bank authorities will furnish the account to the petitioner on production of certified copy of this order.

The petitioner has prayed that he being shall farmer if the amount is realised from him through easy instalments it will serve the purpose of the Bank and will also give relief to the petitioner. In my opinion the interest of Bank will be fully secured if the petitioner pays the amount in eight equal quarterly instalments.

In view of the aforesaid the petitioner is directed to pay the entire outstanding loan amount in eight quarterly instalments. The first instalment will be paid by or before 31.7.2006. The amount of interest will be paid in the last instalment. In case of default of any instalment, the liberty given to the petitioner to pay the loan amount in instalments shall no more be available.

Subject to the above observations, the writ petition is disposed of. No order as to costs.

(Rajesh Tandon, J.)

23.06.2006
Dhyani